

<i>North Carolina 911 Board</i> MINUTES April 11, 2008

<u>Members Present</u>	<u>Staff Present</u>	<u>Guest</u>
Jason Barbour (NCNENA)	Ron Adams (ITS)	Candace Allred (Verizon Business)
Wayne Bowers (NCLM)	Richard Bradford (DOJ)	David Barnes (Poyner & Spruill)
Frank Cairon (CMRS)	Marsha Tapler (ITS)	Scot Brooks (Moore Co Pub Safety)
Alan Cloninger (Sheriff)	Richard Taylor (ITS)	Lee Canipe (Embarq)
Dave Corn (LEC)		Jim Clark (Synergem)
Christi Derreberry (CMRS)		Sandra Hewitt (ITS)
David Dodd (NCAPCO)		Bronson Keith (Moore Co IT)
Jerry Jones (LEC)		Chris Kolytk (Moore Co GIS)
Wesley Reid (NCNENA)		James McLeod (Embarq)
Slayton Stewart (CMRS)		Tonya Pearce (NCNENA)
Laura Sykora (LEC)		Kris Sheffield (Moore Co Pub Safety)
Jean Thaxton (LEC)		Rebecca Troutman (NCACC)
Bill Willis (Deputy NC CIO)		Marsha Withrow (NCAPCO / Charlotte Fire)
		Darlene Yudell (Moore Co IT)
<u>Members Absent</u>	<u>Staff Absent</u>	
Robert Cherry (Police Chief)		
Bill Craigle (CMRS)		
Joe Durham (NCACC)		

Chair's Welcoming Remarks:

Chairman Willis called the meeting to order at 9:58 AM with an invitation for Frank Cairon (representing Verizon Wireless) to be sworn in as the newest member of the NC 911 Board. Shirley Brinson from the Governor's Crime Commission conducted the swearing in ceremony.

Ethics Awareness/Conflict of Interest Statement

Chairman Willis read the conflict of interest statement printed on the agenda and asked if any Board members wished to note any potential conflicts. None were cited.

Approval of Minutes

Chairman Willis asked if any member of the Board had any corrections to the minutes of the March 14, 2008 NC 911 Board meeting. Richard Taylor noted that two corrections had been suggested by Board members. On page three, the phrase "municipal audits" has been modified to "municipal and county audits". Near the bottom of page eight, an addition was made stating that Jerry Jones had asked for a copy of the Intrado PSAP survey instrument, as well as attribution of a question regarding Intrado's recent request for CLEC authority in NC to Jean Thaxton near the top of page nine. Wayne Bowers made a motion to accept the minutes as revised, Slayton Stewart seconded the motion, and it carried unanimously without abstention.

Update on PSAP Fund Distribution – Update On Revenues Received to Date

Referring to the spread sheet provided to Board members and projected on-screen, Richard Taylor explained changes which had occurred since the last meeting. He noted that regarding discrepancies between Wireless Board accounting and amounts reported to the Treasurer's Office as wireless revenue, entries highlighted in green represent PSAPs Marsha Tapler has reconciled with. He said that Marsha has also contacted those highlighted in yellow, but they have not yet completed reconciliation. Mr. Taylor also said that those PSAPs not highlighted which still show discrepancy values in column D are ones with whom Marsha is still trying to establish initial contact. Mr. Taylor added that since discrepancies were evident between Wireless Board accounting and accounting that was reported to the treasurer's office, staff has asked the wireline providers to document their surcharge remittances to the local governments for FY 06-07 so those amounts can also be compared to the amounts reported to the Treasurer's Office.

Mr. Taylor observed that most of the reconciliation problems have been due to "simple errors". He drew attention to the bottom of the spread sheet where Marsha had annotated some of the reasons given for the problems. Mr. Taylor also discussed how revenue rates have improved, due in large part to staff contacts with the providers resolving earlier remittance problems. He said he remain optimistic that the situation will continue to improve and things should look pretty good for meeting base amount distributions by the end of the fiscal year.

Chairman Willis said that since it appeared that nearly half of the wireless revenue amounts reported to the Treasurer's Office contained discrepancies with distributions known to the Wireless Board, it was very likely that a similar number of discrepancies may apply to the reported wireline revenue values. He noted that to that end, Richard Bradford has drafted a letter to the wireline providers requesting the information Mr. Taylor alluded to earlier. Mr. Bradford said that there is the potential for some of that information to be proprietary, and because of that the Board needs to make sure that it knows whether there are any limitations imposed on the Board by the providers for the use of that information. He said we will be working with the providers to hopefully resolve those kinds of issues while moving forward expeditiously. Jean Thaxton asked when the letter would go out, and Mr. Bradford said he hoped by next Tuesday. She asked if it would be going to both ILECs and CLECs, and Richard Taylor replied that it would.

Legislative Clarifications and Corrections

Richard Taylor reported that staff has been maintaining a list of issues that have arisen since the legislation took effect which might require legislative clarifications or corrections. He said staff has noted 5 such potential issues:

- 1) Eligibility of secondary PSAPs to receive funding
- 2) Ability of Board to adjust funding (53% CMRS fund / 47% PSAP fund) to meet PSAP base amount if needed
- 3) Add Eastern Band of Cherokee eligibility for 911 funds
- 4) Allow for eligibility of pre-arrival protocol software
- 5) Change the time frame for percentage designation for per capita fund and grant fund from a calendar year to a fiscal year

Mr. Taylor said that after consulting with Richard Bradford, they believe items number 1 & 4 can be changed either through policies & procedures or rules, and items 2,3, & 5 will require a technical change in legislation.

Richard Bradford explained his draft of the proposed changes to 62A-46. He said the first change was the addition of sub-paragraph 3 in an effort to allow the Board to make an adjustment between the CMRS and PSAP funds if necessary to meet the base amount requirements stipulated within the legislation. He said it is envisioned only as a one time transfer within any given fiscal year. He believes that is incumbent upon the Board because it should analyze whether a transfer is necessary and make a decision only once, as close to the end of the fiscal year as possible.

Mr. Bradford said the second of the changes is to address the legislation allowing changes to the percentage allocation to the per capita fund or the grant fund on a calendar year basis rather than on a fiscal year basis, since the Board and the local governments operate on a fiscal year basis.

The last change in Mr. Bradford's draft would be the addition of new subparagraph (f) in recognition of the fact that although the Eastern Band of Cherokee Indians was recognized as a Primary PSAP under the prior legislation, it does not submit the financial reports to the State Treasurer's Office that are the basis of fund distribution in the new legislation. Mr. Bradford believes this was probably an oversight, and that EBCI should be added back in as an eligible PSAP provided it adequately substantiates the amount of funding it received in FY 2007.

Wayne Bowers asked if this wasn't the same issue as that of UNC Chapel Hill Public Safety. Richard Bradford said it was up to the Board to decide if it wanted to include universities, noting that no other universities previously had primary PSAP status. Richard Taylor also noted that UNC-CH did not receive wireline funds, whereas EBCI did receive both wireline and wireless funds. Laura Sykora asked where UNC-CH will get its funding for its primary PSAP if we don't change the law. Richard Taylor explained the unique circumstances surrounding the Wireless Board's initial granting of primary PSAP certification to UNC-CH, including the fact that matching funds for shared resource expenditures had to come from the general fund since there was no wireline revenue. Richard Bradford said that their attorneys have been made aware of the situation; he has asked them to look at the statute and present their argument for how

they qualify for primary PSAP status, but they have not chosen to do so. He said he also told them that if they felt strongly about it they had the option to approach the legislature directly, and his understanding is they may very well take that approach.

Sheriff Cloninger made a motion to support Mr. Bradford's draft recommendations for technical corrections, and Laura Sykora seconded. Chairman Willis invited further discussion, and Wayne Bowers said that although he had no problem with the motion, he had an additional concern about the fact that any PSAP governing agency which did not report to the Treasurer's Office in fiscal 2007 will never be able to qualify for funding, since the PSAP base distribution amount is based on that report. He cited Laurinburg and Murfreesboro as examples, reminding everyone that those two PSAPs were approved as Primary PSAPs by the Wireless Board last fall, after fiscal 2007 had closed, so they do not qualify for base amount distribution. He added that the same will be true for any PSAP added in the future.

Richard Taylor noted that Scotland County will be able to fund Laurinburg, and that the issue there was simply that Scotland County had always considered Laurinburg to be a Primary PSAP, and had been funding it as such with their wireline money, but it had never been certified as a Primary PSAP by the Wireless Board. Because it had never been certified, Wireless Board policy prevented Scotland County from using its wireless funds on the Laurinburg PSAP. So the certification last fall simply allowed Scotland County to use its wireless funds on both the county PSAP and the Laurinburg PSAP, rather than just on the one county PSAP.

Chairman Willis acknowledged Mr. Bowers' concern, observing that although the Laurinburg situation may have been unique, the legislation does effectively prevent new PSAPs from receiving funds. He added that, should a PSAP cease to function, neither does the legislation provide guidance on the disposition of the base amount that had been going to that PSAP. Chairman Willis asked Mr. Bowers if he would like to propose something, and Mr. Bowers said he would like to propose that the Board at least consider some mechanism to allow future PSAPs to receive funding.

Chairman Willis observed that if the question is about base amounts, base amounts are simply to provide continuity for existing situations. He said that he didn't see how that would apply to new situations, since the purpose of the base amount was to continue funding through the transition of legislation. He noted that there is nothing in the legislation to prevent funding of PSAPs not on the current list besides the list itself; the problem is not so much about the base amount, the problem is can whether the Board can change the list of PSAPs. Mr. Bowers countered that he thought the Board could certify a new PSAP if it meets all the necessary criteria, but could not provide a base amount distribution.

Richard Bradford said that could be one interpretation, but that the problem is there is no base amount distribution. He said there is a discretionary amount that could be a per capita or grant amount that might go to such a PSAP, but we don't know. When Chairman Willis asked him if a PSAP could be added to the list, Mr. Bradford replied that at this point he did not think so. Jerry Jones asked if there hadn't been some sort of discussion about transitioning to a different funding model. Richard Taylor replied that he has to report to the legislature in February 2009 regarding revenues and

expenditures, and that he has speculated that a request for a different funding model could possibly be made at that time. He added that to use a base amount established in June of 2007 for ever and ever doesn't seem very practical, so he would see the report in February 2009 as the first opportunity to recommend making any changes to that funding model.

Mr. Bowers said that as he reads the statute, the base amounts for already existing PSAPs will remain fixed, but that if revenues warrant it, per capita distributions could go to any PSAPs, even new ones. Richard Bradford said it is possible to read it that way, but he is not sure that is what was intended. He said there is an argument that could be made on both sides of that issue that revolves around statutory construction.

Chairman Willis said that the question remains as to whether or not we can add PSAPs to the funding model. Mr. Bradford said it is whether PSAPs could be added that could receive per capita or grant distributions; there is no question that they cannot receive base amount distributions. Mr. Bowers said that if they meet all the requirements, he doesn't see anything to prevent them from being certified as PSAPs, and Mr. Bradford replied that the question about the statute isn't necessarily whether it prevents them, but whether it allows them. He said the statute is reviewed with an eye toward what the legislature permitted or authorized, rather than what it didn't authorize.

Chairman Willis said there is a motion on the table to recommend a set of technical corrections, and there is a concern that has been placed on the table about how do we recognize that there may be additional PSAPs which by per capita count or by service or whatever would appropriately be funded; how could they be added to the list. He said the question to the Board is "do you want to request the ability to modify the PSAP list?"

Returning to an earlier comment, Sheriff Cloninger asked if the Board would be required to continue sending money to the governing entity of a PSAP that ceased to exist, for whatever reason. Chairman Willis reasoned that since there would be no eligible expenditures, he did not think so. He added the caveat that if they contracted services, and incurred eligible expenses that way, then they should be eligible to continue receiving funding to pay for those expenses. Richard Taylor noted that there is one county that does not operate a PSAP, but did receive wireline funds in the past. Under the current statute that county is no longer eligible to receive those funds, since it does not operate a PSAP, nor is the city PSAP that does serve that county eligible to receive those funds. Until a formal agreement is created between those two entities, those funds will not flow. Sheriff Cloninger said that since an agreement was all that would be necessary, his question was answered.

Dave Corn asked when the next opportunity would be for the Board to request changes to the legislation, and Chairman Willis replied next year. He said technical corrections for this year are due very shortly. Guest Rebecca Troutman agreed that technical corrections were due soon, but added that the bill could be amended anytime during the session. Richard Taylor said staff has talked with several people about this draft for technical corrections, and noted that a possibility exists that the technical corrections bill will not pass until late in the session. Since the correction we are seeking to allow transfer of funds from the CMRS side of the fund to PSAP side to satisfy base amount

distribution obligations by June 30 must obviously be passed before then, we are hoping to attach it to some other bill that will pass in time.

Chairman Willis proposed to Richard Bradford that if the Board is committed to requesting the ability to change the list, or clarifying its ability to do that, could we do that? Mr. Bradford asked if he meant it was to clarify that primary PSAPs other than the ones on the list could receive per capita or grant distributions, or if he meant granting the authority to add new base amounts. Slayton Stewart speculated that any entity wanting to open a new primary PSAP would plan ahead at least a year, so we should have plenty of time to figure that out before an audit.

Chairman Willis agreed, and said that he thought we should move forward with the Sheriff's motion. He said that will get things started, and the Board can add new things later if necessary. After that, we can look further into this topic. He also added that once the comprehensive statewide plan report is complete, it may provide factual data that will help us work out solutions to these problems. He called the motion, which carried unanimously without abstention.

Chairman Willis said Mr. Bowers' observations and the committee recommendation about to come forward are instructive insofar as they underscore the need for the Board to position itself to clearly make decisions along the lines of policy rather than being placed in a position of making potentially arbitrary decisions about individual issues. He observed that the Board has already agreed upon a list of things that are eligible for payment with 911 funds, and opined that if counties and municipalities chose to exercise all of those purchase options there wouldn't be enough money in the fund to cover all the costs. He said that one recommendation coming from committee represents an attempt to limit that exposure, but he must challenge it because he thinks it is not a good solution. He said he does not want the Board to be put in a position of having to subjectively or arbitrarily prioritize funding choices based upon scarcity of resources.

Sheriff Cloninger asked Chairman Willis if, before moving to the next topic, someone would explain to him what the status of items 1 and 4 on the Technical Corrections list is. Richard Taylor said those are being handled through policy change, and have already been decided through Board action, but that he has not sufficiently finalized the draft language to present it to the Board at this time.

Jerry Jones asked for an explanation of the correlation between the base amount distributions and total fund revenue, and Wesley Reid asked how the fund could be jeopardized when PSAPs are only allowed to spend what is distributed to them. Mr. Reid noted if the PSAP distribution does not meet the PSAP's needs, then they must find alternate funding methods; they don't come back to the Board and ask for more money. Chairman Willis said that although that may be the case now, he's not convinced it will always remain so as population grows and service demands increase. Jason Barbour observed that would require legislative change, and expressed his belief that the Board needs to work with the law as it is now. Dave Corn asked what projected revenue was expected to be this year, and Richard Taylor replied that when the legislation was being drafted the projection was based upon nearly equal amounts of \$3.6 million/month each from the existing wireline and wireless revenues, which was

considered to be more than enough to meet the base amount distribution obligations. Mr. Jones then said that it seemed likely that a fund balance will grow, and that then the Board would have to make spending decisions. Richard Taylor and Chairman Willis responded that the per capita and/or grant fund distribution sections in the statute would dictate such fund balance use.

Update to Use of Fund List including Training and FTE Requirements

Reporting for the committee, Jason Barbour said that the issue of percentages of FTEs or salary related functions eligible for 911 fund use dominated the committee's last meeting. He said there was concern within the committee that excessive use of 911 funds for such purposes could have a negative impact on a PSAP's ability to maintain and/or update its 911 system equipment and services. The only data available to use as a starting point for determining what an average use of funds for these purposes had historically been was Wireless Fund data. Approximately 5% of total wireless fund distribution was used for percentage of FTE compensation in FY 2007. Considering the lack of equivalent data for wireline fund distributions, the committee decided 7.5% of total combined revenue would represent a reasonable expectation of what such costs would amount to when drawn from combined revenue. The proposed solution was to cap such expenditures at 7.5% of total PSAP fund revenue, with two provisions. The first provision is that the percentage amount would be reviewed after one year, when factual information would be available. The second provision is that if a PSAP felt the 7.5% cap placed an unreasonable hardship upon them, they could present their case to the Board to seek an exemption from the cap.

Laura Sykora asked if the 7.5% figure would also serve as a cap for contractual costs for such services. Jason said he thought the intent was for it to apply to in-house compensation for specific job functions, citing as an example that the intent was definitely not to cap recurring charges such as those provided by the telephone company. He said the positions the committee was considering were for database provisioning, IT, GIS, and addressing, including sign maintenance. Committee member Dave Corn said that his understanding was that those functions as performed by contractual services would be subject to the same cap. Mr. Corn added that he thought the 7.5% was a good compromise, especially since his reading of the statute is that funds were not intended to pay for job functions at all.

Mr. Barbour acknowledged that the committee's intent was not to cap all contractual expenditures, and Chairman Willis said that there is definitely, at minimum, a language problem that must be worked out to clarify that. Richard Taylor said committee discussion revolved around several job description examples such as an addressing person, a mapping person, and a street sign person; the discussion was not considering maintenance costs on phone systems or anything like that. Committee member David Dodd added that seven job descriptions were examined, and Laura Sykora postulated that the cap would apply to those seven job descriptions, whether performed in-house or through contractual services. Mr. Dodd clarified that it was not the job descriptions, but the functions being performed, that could or could not qualify for funding.

Chairman Willis said he had trouble with a lot of things about the recommendation, characterizing it as a swamp. As an example, he said that assuming we resolve the

language problem to clearly define what function costs were being capped, what kind of behavior are we trying to drive? Are we trying to tell them to go out and write contracts for everything, even if that might not be more economical or appropriate for them? He said that what we're afraid of is that we have allowed a few eligible expenses that, if carried to the extreme, could overwhelm things. We could have people spending their entire 911 revenue on something like buying street signs, to the exclusion of using the money on what we consider to be more appropriate 911 system costs. He said the question we are all wrestling with is how to put reasonable limits on spending. He posited that clearly we haven't done that, or else we wouldn't be engaged in this conversation.

Chairman Willis offered that the seven job descriptions referred to were clearly a response to something we allowed on the list; they have been written to fit what is allowed. Jason Barbour speculated that we may be drilling down too deep, noting that in Johnston County, one of the larger counties in the State, his total street sign expense, materials and labor, is less than \$50k out of a 911 revenue around \$1million, or about 5%. Referring to Wesley Reid's earlier comment regarding how PSAPs cannot spend more than their distribution without tapping other revenue streams, he said he didn't think we should dictate to PSAPs what they choose off of the list. He admitted to not knowing where the happy medium is, agreeing that without some constraints there are certainly entities that will abuse their funds; but he feels we shouldn't penalize the ones that won't.

Chairman Willis said that obviously we don't want to penalize anyone. Dave Corn observed that it appeared some of the seven job descriptions that were studied deserved some funding, but others did not, and the committee couldn't determine where to draw the line. The recommendation the committee presented was a compromise effort to do that. He said that if this won't work, he's open to suggestions for something that would work. Chairman Willis said that he, too, is searching for something clean enough to offer guidance without infringing on a local government's decision making authority.

Sheriff Cloninger asked if the 7.5% is the problem, or if it is something else. Chairman Willis responded that he thinks the determination of the percentage is too arbitrary. Sheriff Cloninger concurred, noting that an arbitrary and capricious decision has the potential to cause the Board great difficulty in the courts of North Carolina. He said he could not vote for this recommendation as it stands for that reason. He also observed that if he were told he could spend up to a given amount of money within a certain set of parameters, he would figure out a way to spend every penny of it whether he really needed to or not.

Chairman Willis said he thinks we're trying to limit the wrong thing. He said that rather than trying to make judgments about FTEs or something like that, we should place a limit on what we are willing to contribute to the approved functions. Jerry Jones asked if the intent of this is to limit spending so that we can ultimately "chop" the base amount, to which he received a chorus of "no"s. Chairman Willis said that we clearly do not have that authority, and that any surplus funds would simply roll into the PSAP's fund balance.

Wesley Reid asked if we do nothing now, would staff simply continue reviewing job descriptions and making determinations based upon its interpretations. Chairman Willis said he believed that would be the case. Dave Corn noted that the committee will be meeting again next week, and would certainly welcome any input the Board could provide today. Chairman Willis said that he would, indeed, like to send this back to the committee. Sheriff Cloninger asked Richard Bradford if he could offer any suggestions for avoiding this arbitrariness. Mr. Bradford replied that the only evidence that this body has is the records of the Wireless Board, so keeping in mind that while some "human" expenses may have been funded by the Wireless Board, those decisions were made on an ad hoc basis, and they were limited to specific functions, none of which have been used as examples today. Since that is the only evidence, any departure from that will necessarily raise issues like those Sheriff Cloninger has already identified regarding decisions being potentially deemed arbitrary and capricious in a court. He agreed that will happen if we find ourselves in court.

Chairman Willis suggested that we could look at historical funding of these things—not the FTEs, but the things themselves—and possibly arrive at some sort of per capita calculation of cost for each of them. Jean Thaxton said that if the data were only from the Wireless Board we would still be in the same fix. Guest Rebecca Troutman said that she believed we might have access to some of the data we've been asking about. She said that each county and city auditing system maintains a separate fund statement for the Emergency Telephone System Fund. With that separate accounting will be categories of expenditures that will allow determination of the use of the funds. The Local Government System receives an audit statement from every county and city that is different than what we have been using to determine base amount distributions, so we may get some information there about what the money has been used for.

Jerry Jones made the observation that he has a fundamental issue with "getting in the weeds" on how every dollar is spent without looking at whether PSAPs are doing a good job of providing the service. Chairman Willis said that is where he believes this is taking us. He said if we can, for example, look at expenditures over the last three years and determine how much has, on average, historically been spent on specific functions, we can limit spending to those amounts on a per capita basis. Then we have something that doesn't involve job descriptions or whether the work was performed on a contract basis. We simply have an amount that we're willing to contribute to paying for those functions.

Guest Tonya Pearce asked if the Board might have the authority to state that paying for these functions is only allowed after all other 911 system costs have been satisfactorily met. Chairman Willis replied that would require PSAPs to meet standards that the Board does not have the authority to impose. He added that he wanted the committee to realize that he was in absolutely no way being critical of its hard work, knowing how easy it is to focus on solving one problem without realizing the impact that solution has on other problems. He said that despite all that work, however, he's afraid that we still haven't established clear limits on what should be done in these particular areas. He said one of the ways to deal with it is to just leave it open and let people do whatever they feel is correct and allowable. Jerry Jones said he has no problem with that, since PSAPs are partially funded through conventional means, and do not function on these funds alone. Jason Barbour said maybe it would be a good idea to do that for a year

while we gather information. Chairman Willis said that the only problem with that is that abuses might occur and be discovered that could implicate the Board for not having met its due diligence obligation.

Sheriff Cloninger asked Richard Bradford what the down side would be to continue allowing staff to make determinations the way it did under the Wireless Board. Mr. Bradford said that if the Board acts in a way that the Legislature feels was not intended, the backlash and legislative change may be something the Board doesn't want, so that's a risk. There's the risk pointed out earlier of making an arbitrary and capricious decision, a hallmark of administrative law, if you don't have a full and fair statement of fact to support the decision. Mr. Bradford continued that from a practical standpoint, when decisions are not fact specific, this places an undue burden on staff. He spoke about fact specific questions that had been asked of the Assistant AG assigned to the Wireless Board eight years ago, and how the answers to those fact specific questions had guided Wireless Board staff in making decisions since then. But he also noted that the situations and the job functions then and now are not necessarily analogous. Sheriff Cloninger asked if Mr. Bradford thought requesting an AG opinion regarding these questions might be useful now. Mr. Bradford opined that this situation does not lend itself to that. He said that the Board has chosen to identify certain limitations in terms of how frequently certain expenditures can be made, such as how frequently orthographic or oblique image collection can be paid for. In that way the Board makes decisions about what is recommended but always leaves the door open for a change. He said that when the Board places limitations on how much can be spent, however, it is placing a significant burden on the staff to consider those questions for each PSAP, which requires a lot of time from a staff that is already pretty busy.

Sheriff Cloninger asked Richard Taylor if maintaining a status quo approach for a year would place an unmanageable burden on staff. Mr. Taylor replied that the addition of addressing functions does significantly increase the workload. He added, however, that local governments are used to submitting job descriptions with percentages, but he stressed that they should come from the local government human resources department, not be custom crafted for this use. He also said that the local governments have always been advised that if they disagree with the staff assessment, they may appeal that to the Board. Mr. Taylor said that he does not know if it will be unmanageable, but that it will definitely be challenging. He said staff will accept the job if that is the Board's wish, and do its best. He closed by saying if it proves unmanageable, he will come back to the Board for help. Sheriff Cloninger suggested staff might add a person, and Mr. Taylor agreed that could be one approach.

Chairman Willis said that he believes we really don't have a problem with maintenance of telephone systems or databases and things like that. He said we've been handling that through use of job descriptions and such, so we can do it. He said he thinks that we're getting into trouble in a couple of areas like the street sign issue. He observed that while having a street sign in place is an important and necessary part of being able to correctly describe where an accident is or something like that, those signs are also there for lots of other reasons. He suggested that maybe we need to draw a clean line and simply say we're not going to pay for signs. He said then you've got something that's not hard to manage, is an easy decision to make, and it is not even capricious and arbitrary. We will have just made a decision that those things are outside the scope of

what we're going to fund. He said there are other issues that are in that same bucket that need to be addressed, and pointed out that with this type of approach we're not getting down to some sort of percentage or dictating how you buy something or other similar limitations.

Sheriff Cloninger asked if Chairman Willis was referring to new sign purchase or damaged sign maintenance, and Chairman Willis replied that he was suggesting that we look at the function that we pay for rather than get down into how it's done and percentages and things like that. Sheriff Cloninger responded with "So you want a bright line", and Chairman Willis concurred. Jerry Jones said the way he sees it is that we could define a category, such as street sign maintenance, and then just say either yes we approve all of it or no, we don't approve any of it. He said that would make it clear and easier on staff, and would be no less correct than setting a percentage. Christi Derreberry concurred with Chairman Willis's statement that street signs serve many more uses and entities than 911. Richard Taylor offered some background, pointing out that the 1989 wireline legislation necessitated re-addressing for 911, abandoning Postal rural route addressing and renaming many streets or roads and/or placing signs on streets or roads that had never had them. That cost was reasonably associated with 911 in that context, and is at the root of the continued use of 911 funds for street signs in some counties and cities through the intervening years. Mr. Taylor added that many in the legislature considered "addressing" in the statute to mean a one time cost, but that distinction has never been made clear.

Chairman Willis reminded all that there was a committee recommendation on the table, and suggested that be decided before continuing discussion. He said he didn't think the Board was prepared to accept the recommendation. Jean Thaxton moved to send the recommendation back to committee, and Slayton Stewart seconded. Richard Taylor pointed out that there were three parts to the recommendation, and that discussion had only been on the first part. The second part, concerning GIS, had been deferred by committee, and the third part concerned training issues.

The motion was tabled for discussion of the training recommendation. Mr. Taylor reported the committee consensus was that training costs were associated with individual class related costs, not conference attendance; that travel expenses for such classes would be reimbursed at local or State government per diem rates, whichever was greater; and that if in-State training were unavailable either six months before or six months after an out-of-State training event, that would constitute justification for attending the out-of-State event. He added that the statute provides for allowing out-of-State training when it is more cost effective than equivalent in-State training.

Chairman Willis asked Ms. Thaxton if she would be willing to amend her motion to state that it was to send part one of the recommendation back to committee, to which she readily agreed. Second Slayton Stewart also agreed. Wayne Bowers asked if we were simply not accepting the recommendation, or if we were sending it back to committee, and Chairman Willis replied it was both. Chairman Willis called the motion, which carried unanimously.

Chairman Willis asked if there was further discussion on part three of the recommendation, and Sheriff Cloninger made a motion to accept it as presented. Jerry

Jones seconded. Jason Barbour asked about exceptions to the justification of out-of-State training for time sensitive training delivery such as EMD training, and Richard Bradford said that time sensitivity could constitute acceptable justification. Chairman Willis called the motion, which carried unanimously.

Chairman Willis asked Jason Barbour if there was more the Board could provide to the committee to resolve the job function issue today, and Mr. Barbour asked if the current practice could not be continued for a year to allow data to be collected for the Board to use in making future decisions. Chairman Willis replied that while that was possible, understand that staff will be required to make decisions about things that are already on the table. Mr. Barbour said he didn't like it, but PSAPs could appeal staff decisions if they didn't agree with them. Chairman Willis asked under what guidance staff would turn them down, and Mr. Barbour replied possibly under guidance of the Board attorney, but if not that, he didn't know. Sheriff Cloninger suggested that we maintain the status quo while the committee continues to meet and genuinely works toward arriving at a solution. If staff encounters a problem and needs guidance, it can bring the problem to the Board for help. Chairman Willis asked Richard Bradford if we couldn't require documentation regarding past wireline expenditures for these functions to combine with what we already know regarding past wireless expenditure history before approving use of funds for those functions. Mr. Bradford indicated he did not think that was a good idea, but would defend it to the best of his ability if the Board chose to do that.

Sheriff Cloninger made a motion stating that we continue to study the issue of salaries; that during the study period staff will still entertain requests and make determinations; if staff disapproves requests then the agency that has been denied its request has the right to appeal that denial to the full Board until such time as we can establish a rule or policy to govern such decisions. He added that staff would use the advisory letter issued by Karen Long to the Wireless Board in 2000 as guidance. Wesley Reid seconded. Sheriff Cloninger asked Richard Bradford if that wording would work to protect the Board, and Mr. Bradford replied that it would not, adding that nothing would offer complete protection. That notwithstanding, Chairman Willis said he would instruct staff to request documentation of prior use of funds to pay for these functions. Sheriff Cloninger said he would amend his motion to include that instruction. Second Wesley Reid concurred with the amendment. Chairman Willis called the motion, and it carried unanimously.

Update on Rule Making

Richard Bradford reported that the Rules Committee continues discussion of draft rules, having met last week and with another meeting scheduled soon. He believes we are making good progress. He noted that in conjunction with earlier discussion today regarding consolidation of PSAPs or creation of new PSAPs relative to per capita distribution, draft rule #205 attempts to address what happens with the per capita distribution when you have multiple primary PSAPs within a given county. He said he will revise the draft for all Board members to review as soon as it is complete.

Update of PSAP Revenue/Expenditure Reports

Ron Adams reported that the 2005-2006 review process is complete, and the 2006-2007 review is also nearly complete. He said that he is in contact with all of the finance offices with outstanding reports, and they are being cooperative. He said that he was optimistic that the review will be complete by the next meeting, and that request packets for the reporting period July 1, 2007 – December 31, 2007 will be mailed next week. He noted that this is but the first step in a two-step reporting process for fiscal 2007-2008 made necessary by the implementation on the new legislation on January 1. He said we will not be requesting budget information until we request reports for the January 1, 2008 – June 30, 2008 reporting period later in the year.

Adjourn

Chairman Willis reminded everyone that a Rules Review Committee meeting is coming up on April 17th at 2:00 PM, and the Use of Fund Committee is scheduled to meet on the 22nd at 10:00 AM. Wayne Bowers asked Richard Taylor if any decision had been made regarding rescheduling the June full Board meeting from June 20th to June 27th, and Richard replied that he had only received a few responses to his query, and they were split about evenly between keeping the 20th and moving to the 27th. Noting that everybody was present now, he asked for input from Board members. Some members had conflicts with the 27th, so Chairman Willis suggested we leave the meeting as scheduled, noting that we will always have conflicts of some kind.

Chairman Willis asked for a motion to adjourn, one was offered by Wayne Bowers and seconded by Christi Derreberry, and it carried unanimously. The meeting was adjourned at 12:40 PM.